

# Measuring unpaid care in the Labour Account FAQs

## Context

### **1. Why are the ABS measuring unpaid care in the Labour Account?**

In September 2023, the Australian government released [Working Future: The Australian Government's White Paper on Jobs and Opportunity](#). This paper highlighted gaps in labour market data on unpaid care that, if addressed, would strengthen evidence-based policy decisions.

The ABS has been funded to expand the [Labour Account](#) to improve estimates on the total hours spent on unpaid care and their monetary value. These new measures will improve the visibility of the contribution of unpaid care to society and the economy, alongside the extensive information on paid work.

## Consultation process

### **2. What is the purpose of the consultation?**

The valuation of unpaid care is an emerging area of measurement internationally, and there aren't yet agreed standard approaches. The ABS has collaborated with various domestic and international stakeholders to develop an approach to valuing unpaid care and welcomes feedback to enable further refinement of the method to meet data needs.

Feedback from the Consultation Hub will help the ABS understand what information is most useful. By taking a staged approach to developing and releasing unpaid care estimates in the Labour Account, this feedback will help ensure that socially and economically relevant data is prioritised and published, while we continue to develop and improve measures.

### **3. What type of feedback is being sought in this consultation?**

The ABS is seeking feedback on various aspects of our approach to valuing unpaid care in the Labour Account, as outlined in the information paper. Please note that this consultation is not intended to capture feedback on data quality or the data sources used, including the Time Use Survey.

Your feedback will help us prioritise and refine our estimates to ensure they meet the needs of users.

### **4. How do I provide feedback?**

You can provide feedback by making a submission via the [ABS Consultation Hub](#).

### **5. What happens after the Consultation Hub closes?**

The ABS will consider all submissions received to guide the production of more detailed experimental unpaid care estimates in the Labour Account. The ABS will not respond to individual submissions, instead a summary will be published on the Consultation Hub via 'We Asked, You Said, We Did' in mid-2025.

## **Definitions**

### **6. How is care work defined?**

Care work is defined as the activities and relations involved in meeting the physical, psychological and emotional needs of care-dependent people.

### **7. How is care dependency defined?**

Care-dependent people require care to live independently, due to their functional limitations. These limitations may be due to age, such as young children or the elderly, or they may be due to long term health conditions or disability.

### **8. What is the difference between childcare and adult care?**

Childcare is care given to people aged under 15 years, while adult care is care provided to people aged 15 years and over.

### **9. What is the difference between direct and indirect care?**

Direct care involves hands-on or face-to-face tasks, such as feeding or bathing. Indirect care provides the pre-conditions required for direct care, such as preparing food or transportation.

### **10. Do the estimates in the information paper include all unpaid work?**

The estimates in the information paper value unpaid childcare only. This is different to previous ABS releases that valued all unpaid work, in [1992](#) and [1997](#).

## **Measurement approaches**

### **11. What does the unpaid childcare data measure?**

The total hours spent on and monetary value of unpaid childcare in Australia for June quarter 2021.

### **12. What data sources have been used to produce estimates?**

The information paper estimates use hours spent on unpaid care activities from the [Time Use Survey](#) and applicable wage rates from the [Survey of Employee Earnings and Hours](#).

### **13. What estimation methods have been presented?**

Unpaid childcare work has been produced using four different valuation methods. These methods apply different monetary values to the childcaring activity.

- Individual function replacement cost method: equivalent occupation for each childcaring activity

- Minimum wage replacement cost method: flat minimum wage
- Housekeeper wage replacement cost method: relevant housekeeper wage
- Opportunity cost method: wage of carer's main occupation

#### **14. What measurement method does the ABS recommend for unpaid care?**

The ABS recommends use of the Individual function replacement cost method for the best estimates of unpaid childcare as it most accurately estimates the market cost of employing someone to complete caring activities on a paid basis.

#### **Unpaid childcare estimates inclusions**

#### **15. What demographic information is available about carers?**

Unpaid childcare valuations are presented by the age or sex of the unpaid carer. Age data has been separated into five age groups: 15 – 20 years, 21 – 34 years, 35 – 44 years, 45 – 54 years, 55 years and over. Data is available for carers who are aged 15 years and over.

#### **16. What are secondary activities?**

Secondary activities are collected when a person may be doing two things at one time. For example, a person may be primarily preparing a meal, but also minding children.

#### **17. Are secondary childcare activities included?**

For the Individual function replacement cost estimates presented in the paper, secondary childcare activities have been valued at the higher wage rate out of the primary and secondary activity. This approach reflects the cost it would take to replace all activities a carer is undertaking at a point in time. The data sources for secondary care are more limited, however they have been used to account for all unpaid childcare that has occurred.

The ABS is continuing to develop the conceptual interpretation and approach to measuring the value of secondary care.

#### **18. How is higher intensity care, including care for children facing an ongoing illness or disability, valued?**

Current estimates from the [Time Use Survey](#) do not separately identify care for children facing an ongoing illness or disability. Children in these groups may require higher intensity care, or different types of ongoing care. The ABS will continue to explore options to identify specific care-dependent groups.

#### **Next steps**

**19. When will the ABS next share an update on this work?**

The data included in this release is an initial exploratory step for the ABS, which will be further refined and built on in future. An additional information paper will be published in mid-2025 to provide a further update on this work. This update will draw upon feedback received through the current consultation process.